



PRESS RELEASE

House National Security Committee

Floyd D. Spence, Chairman

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CONTACT: Maureen Cragin
Ryan Vaart
(202) 225-2539

STATEMENT OF HONORABLE FLOYD D. SPENCE (R-SC)

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SECDEF/CJCS POSTURE HEARING

Mr. Secretary, General Shali, let me welcome you both.

Mr. Secretary, I first want to congratulate you on your swift and unanimous confirmation as Secretary of Defense. And second, as a former member of the House, I want to assure you that we will not hold the many years you spent in the Senate against you...at least not too much. We are glad to be able to welcome you back to your old stomping grounds.

General Shali, we also want to welcome you back to what will be your last budget posture hearing before this committee. You will be finishing your second term as Chairman in the months ahead, after a long and distinguished career. On behalf of the committee, I thank you for the commitment, dedication and sacrifice that mark your 39 year career. We wish you well on whatever path you choose.

For the member's information, we have a tight schedule today due to the fact that the Secretary must also testify over in the Senate this afternoon. Accordingly, testimony will proceed straight through the lunch hour as the Secretary must leave at 1:45 pm this afternoon.

Mr. Secretary, the past few years have been frustrating for those of us who oversee the Department of Defense and the nation's national security policy. I view it as a failure on the part of both the President and the Congress that the American public has no sense that its military is confronting some of the most critical challenges and fundamental decisions since the end of World War II. Yet to the extent that any debate has occurred, it has been here, inside the beltway.

Since the American public assumes that all is well with its military, and since the public's attention is focussed on more day-to-day economic and social concerns, there is neither broad public controversy nor political consensus over the direction in which the nation's military forces are headed. As hard as we in the Congress try, the nation's only true "bully pulpit" is being used to further neither the public debate nor to forge a consensus.

Against such odds, trying to address the service's deepening readiness, quality of life and modernization problems will require great resolve. It will also require strong bipartisan leadership if we are to hold out any hope of sustaining the long-term commitment of resources necessary to ensure that our military remains second-to-none.

Such an effort will, by definition, be swimming against a popular political tide that is increasingly characterized by the push for smaller federal government and less federal spending. Maintaining a strong defense requires a strong federal role and, after thirteen consecutive years of declining defense budgets, additional federal resources. While the last two years were unprecedented from the perspective that, for the first time in the twenty plus year history of the Budget Act Congress used the congressional budget resolution to increase a President's defense budget, one cannot help but wonder if what we are doing is simply moving around deck chairs on the Titanic.

No matter how much resolve Congress brings to the task of maintaining a strong defense, we cannot help the Administration if the Administration does not want the help. Despite obvious and compelling evidence of shortfalls, each of the last two years the Administration has aggressively opposed Congress's decision to add funding to the President's defense budget. We have been accused of adding funds that "the Pentagon" never asked for and does not need. And we have been pilloried both in and by the press for "increasing" defense spending when, in fact, defense spending continues to decline even when you consider the additional resources provided by Congress.

It is a stunning commentary on the depth to which the defense budget is being cut when Congress can add \$8-\$10 billion a year to a President's budget and the nation still ends up with a budget that fails to even keep pace with inflation. Yet each of the past two years the President has ultimately signed these increases into law, only to turn around within months and propose using the added funds he opposed to pay for the inevitable operational and readiness shortfalls endemic to his own budgets. As I said, it has been a frustrating couple of years.

Once again, the defense budget request before us does not appear to offer many solutions. Instead of representing a bridge to the 21st century for our military, the budget looks more like the same old tightrope without a safety net. In the years ahead, the global demands on our military will continue to grow, which guarantees that personnel and operational tempos will stay high. Yet the top-line continues to drop, attainment of even modest modernization spending is once again pushed further to the right and cuts in endstrength below the minimum Bottom-Up Review levels are assumed in the President's budget.

Today, and in the months ahead, we will all hear the familiar refrain that a particular issue will be addressed in the QDR. Yet much like the Bottom-Up Review, the context for the QDR is largely set. It assumes essentially fixed budgets and will, therefore, most likely end up presenting the services with the dilemma of choosing between further reductions in force structure and endstrength if they hope to free-up resources necessary to modernize. It is not a choice any service secretary or chief should have to make. Nor is it a choice that will be based on threat or mission-driven requirements. Nonetheless, we all suspect it is coming.

Mr. Secretary, my deepest *suspicion* is that the services will be faced with exactly this kind of untenable choice and, as a result, that the force will shrink further as our military leaders desperately try to end what CBO has termed the "procurement holiday." However, my deepest *fear* is that any force

structure or endstrength reductions compelled by the QDR will not come close to funding the kind of recapitalization needed to take even the smaller military of the mid-1990s into the 21st century with unquestioned technological superiority.

The result is just apt to be a smaller force, spread thinner than today and still struggling to find ways to modernize their 1970s and 1980s era equipment. It is a road fraught with peril and one, unfortunately, that this nation has already been down with disastrous consequences several times this century.

Mr. Secretary, this committee will continue to work long and hard, and in a bipartisan fashion, to address as many of the shortfalls in this budget as we can. Frankly, it would be a nice change of pace if this effort included the Administration. In that context, I look forward to your testimony, I look forward to working with you and I assure you that this committee's "door" will always be open.